



The Grocery Manufacturers Association strongly supports the US-Peru Trade Partnership Agreement (US-PTPA). We urge swift congressional action on passage of this agreement so that we are able to realize the benefits of this landmark agreement. The US-PTPA will bring many benefits to the food, beverage and consumer products industry.

Specifically, the agreement:

Contains immediate access for many processed food products.

Key US exports such as cookies, breakfast cereals and pasta are among the many processed food products that will receive immediate, duty free treatment into Peru. Currently US products face an average tariff of twenty percent on products going into Peru.

Is comprehensive, with no product exceptions.

Many sectors fought hard to have their products excluded from any tariff cuts. USTR concluded a comprehensive agreement with market access commitments in all sectors, including sugar. Although the quantities of sugar in the agreement are minimal, the precedent set by maintaining a comprehensive approach to agreements is important.

Includes duty free treatment for consumer and industrial products.

More than 80% of bi-lateral trade in consumer and industrial products will become duty free immediately upon entry into force of the agreement. This will allow for increased sales of personal care products and other consumer goods into Peru.

Enhances rules on intellectual property rights.

The agreement goes beyond current protections for trademarks to apply the principle of “first-in-time, first-in-right” to all products, including those that may contain a place (geographical) name. This means that the first company to file for a trademark is granted the exclusive right to that name, phrase or geographical place name. This agreement sets an important precedent that GMA hopes to replicate regionally and globally in order to fight the European Union’s approach to geographical indications. Under EU law geographical indications (Parmesan, cheddar, pilsner) are given priority to trademarks and may cancel protections for brands. GMA is fighting this approach in the World Trade Organization and believes that the US-PTPA establishes an important legal precedent that could serve as a model in these discussions.